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### REAL ESTATE MORTGAGE

THIS REAL ESTATE MORTGAGE ("Mortgage") is made as of the 22 day of May, 2012, by URC FJ, LLC ("Mortgagor"), a Michigan limited liability company and wholly-owned subsidiary of UPTOWN REINVESTMENT CORPORATION, INC. ("URC"), a Michigan nonprofit corporation, whose address is 519 South Saginaw Street, Suite 200, Flint, MI 48502, to and in favor of FOUNDATION FOR THE UPTOWN REINVESTMENT CORPORATION ("Mortgagee"), a Michigan nonprofit corporation, whose address is 519 South Saginaw Street, Suite 200, Flint, MI 48502.

The Mortgagor hereby MORTGAGES AND WARRANTS to Mortgagee, its successors and assigns the property located in the City of Flint, County of Genesee and State of Michigan more particularly described on the attached Exhibit A, together with all related rights and privileges, hereditaments, easements and appurtenances, all buildings, fixtures and other improvements now or hereafter placed thereon, and all rents and profits, proceeds (including, without limitation, insurance proceeds), substitutions, replacements, modifications, improvements, additions, parts, accessories and accessions to the foregoing (hereinafter referred to as the "Mortgaged Property"). Unless otherwise indicated, a reference to the Mortgaged Property means all and/or any part of the Mortgaged Property.

#### THIS MORTGAGE SECURES TO MORTGAGEE:

- (i) The payment by Mortgagor and URC of all amounts required to be paid by Mortgagor and URC (the "Payment Obligations") under that certain Letter Agreement between Mortgagee and URC dated as of the date hereof (the "Letter Agreement"), including, without limitation, the obligation of Mortgagor and URC to make the payments required from Mortgagee to the Charles Stewart Mott Foundation ("Mott Foundation"), a Michigan nonprofit corporation, under that certain grant commitment letter dated May 11, 2012 relating to a repayable grant in the amount of Two Million Dollars (\$2,000,000) (together with any amendments, renewals, extensions, increases and modifications, the "Grant Commitment");
- (ii) The performance by Mortgagor and URC of their covenants and agreements under this Mortgage and the Letter Agreement (all of which are collectively referred to in this Mortgage as the "Other Obligations"); and
- (iii) The payment of all other sums, with interest (if assessed by Mortgagee), advanced under this Mortgage to protect the Mortgaged Property.

AND THE MORTGAGOR FURTHER COVENANTS WITH THE MORTGAGEE as follows, all of which covenants shall run with the land:

1. **Mortgagor's Promise to Pay.** The Mortgagor will promptly pay or cause to be paid the Payment Obligations according to the tenor and effect thereof.

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2. **Mortgagor's Promise to Perform.** The Mortgagor will promptly and faithfully perform and observe all the terms, undertakings, covenants and conditions required to be kept, observed or performed under or according to this Mortgage and the Letter Agreement.

3. **Care of Mortgaged Property.** The Mortgagor will at all times preserve and maintain the Mortgaged Property in good repair, working order and condition, and will from time to time make all necessary repairs and renewals so that the efficiency of the Mortgaged Property shall at all times be maintained and the mortgage security shall not in any way be impaired. The Mortgagee shall have access to and right to inspect the Mortgaged Property at all reasonable times and if said Mortgaged Property or any part thereof shall require inspection, repair, winterizing or care of any kind which the Mortgagor shall fail to provide, the Mortgagee may, after notice to the Mortgagor, enter, inspect, repair, winterize and care for said Mortgaged Property and pay such amount therefor as in its sole judgment it may deem necessary and the cost thereof shall be added to the Payment Obligations and shall be due and payable immediately, with interest at the annual rate of seven percent (7%), and shall be secured by this Mortgage.

4. **Other Payments by Mortgagor.** The Mortgagor will pay and discharge all liens, encumbrances, taxes, assessments, water charges and other governmental charges at any time levied or placed upon or assessed against the Mortgagor or the Mortgaged Property before any interest or penalty for nonpayment attaches thereto, or earlier when due if required by the Mortgagee. The Mortgagor will not do or allow to be done anything whatsoever that may impair the lien of this Mortgage or the value of the Mortgaged Property as collateral, provided, however, that the Mortgagor shall not be required to pay any such tax, assessment or government charge so long as the Mortgagor in good faith contests the validity thereof and provides such assurances of payment of such tax, assessment, water charge or other governmental charge in a manner satisfactory to the Mortgagee. The Mortgagor agrees promptly (and at any rate before interest or penalty normally would attach with respect to such tax, assessment, water charge or other governmental charge) to notify the Mortgagee in writing of Mortgagor's intent to contest the same and the basis for such contest.

5. **Insurance Coverages.** The Mortgagor agrees to keep all insurable property constituting the Mortgaged Property continuously insured against such risks in such form, in such amounts and for such periods as may be required by the Mortgagee, and to pay when due all premiums on any such insurance in the manner above provided. Mortgagor shall also provide such other insurance coverage as Mortgagee may require from time to time, including, without limitation, loss of rents insurance, builders risk and similar insurance coverages relating to any construction activities, public liability insurance and product liability insurance. All insurance shall be carried in companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto mortgage clauses in favor of and in form acceptable to the Mortgagee and each such policy shall provide that it may not be cancelled without thirty (30) days prior written notice to the Mortgagee. The Mortgagor will deliver to the Mortgagee, as issued, properly receipted renewals of all insurance policies. If any loss occurs, the Mortgagor will immediately notify the Mortgagee in writing. Each insurance company concerned is hereby directed to make payment on any loss to the Mortgagee alone. The Mortgagee may apply any or all proceeds of insurance, at the Mortgagee's option, either toward payment of the Payment Obligations or to the restoration and repair of the Mortgaged Property damaged. Upon any foreclosure sale or deed-in-lieu of foreclosure or similar transaction, all rights to all policies of insurance automatically shall pass to the purchaser or grantee thereof.

6. **Mortgagee's Right to Make Payments and Add to Payment Obligations.** After any default, the Mortgagee, without any demand or notice may (i) pay any taxes, assessments, charges, mortgages and other liens, and insurance premiums Mortgagor has agreed to pay under this Mortgage or under the Letter Agreement, (ii) effect any insurance provided for herein or in the Letter Agreement, (iii) inspect, repair, winterize, protect and maintain the Mortgaged Property and pay such amounts therefore as Mortgagee deems appropriate, and (iv) enter the Mortgaged Property and survey and appraise it and obtain current certifications to abstract(s) of title, title insurance policies and tax histories of the Mortgaged

Property or obtain new abstracts, title insurance and tax histories if none were furnished and pay such amounts therefor as the Mortgagee deems appropriate; and all sums paid for any one or more of said purposes, or otherwise permitted to be paid by the Mortgagee under this Mortgage or the Letter Agreement, shall be immediately due and payable without notice and shall bear interest from the date of payment at the annual rate of seven percent (7%). All such sums so paid, plus interest, automatically shall be added to the Payment Obligations. All abstracts, title insurance policies, surveys, tax histories and other documents pertaining to the Payment Obligations shall remain in the Mortgagee's possession until the Payment Obligations is paid in full, but if there is any foreclosure of this Mortgage, the same shall become the Mortgagee's sole property.

7. **Assignments to Mortgagee.** The Mortgagor hereby assigns to the Mortgagee (for security purposes), in their entirety, all claims, causes of action, judgments, decrees and awards for injury or damage to the Mortgaged Property, and all awards or damages pursuant to proceedings for condemnation or taking thereof, and the Mortgagor authorizes the Mortgagee, at its sole election, either to apply the same, or the proceeds thereof, toward the Payment Obligations (whether or not then due) in such manner as the Mortgagee may elect or to apply the same toward restoration or repair of the Mortgaged Property. The Mortgagor hereby authorizes the Mortgagee, in the name of the Mortgagor, to execute and deliver valid acquittances for, and to appeal from any such award, judgment or decree, but the Mortgagee shall not be obligated to do so.

8. **Waste Provision.** The Mortgagor will not commit or allow to be committed waste on the Mortgaged Property and will comply with all present and future valid police, sanitary, building and fire rules, regulations and restrictions and municipal ordinances and all state and federal statutes, present and future, concerning the Mortgaged Property or the use and occupancy thereof or in any way applying to the same and will not use the Mortgaged Property for any unlawful purpose. The failure, refusal or neglect of the Mortgagor to pay any taxes or assessments levied against any part of the Mortgaged Property or any insurance premiums upon policies of insurance covering any part of the Mortgaged Property shall constitute waste in accordance with the statute in such case made and provided and shall entitle the Mortgagee to all the remedies provided under such statute.

Upon the happening of any waste of all or part of the Mortgaged Property, including but not limited to nonpayment of taxes, assessments or insurance premiums, on proper application made therefor by the Mortgagee to a court of competent jurisdiction, the Mortgagee shall forthwith be entitled to the appointment of a receiver of the Mortgaged Property and of the earnings, income, issue and profits thereof, with such powers as the court making such appointment shall confer. The Mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Payment by the Mortgagee for and on behalf of the Mortgagor of any such delinquent tax or insurance premium, properly payable by Mortgagor under the terms of this Mortgage, shall not cure the default herein described nor shall it in any manner impair the Mortgagee's right to the appointment of a receiver on account thereof.

9. **No Removal, Alterations or Improvements Without Consent.** Except for replacement, maintenance and relocation in the ordinary course of business, the Mortgagor will not, without the prior written consent of the Mortgagee, remove nor attempt to remove or allow to be removed from the present location thereof any fixture or other improvement forming part of the Mortgaged Property.

10. **Further Assurances; Perfection; Other Rights of Mortgagee.** At any time and from time to time, upon request by the Mortgagee, the Mortgagor will make, execute and deliver or cause to be made, executed and delivered to the Mortgagee and, where appropriate, will cause to be recorded and/or filed and from time to time thereafter to be re-recorded and/or re-filed at such time and in such offices and places as shall be deemed desirable by the Mortgagee, any and all such other and further mortgages, assignments of rent, security agreements, financing statements, current financial and operating statements, instruments of further assurance, certificates and other documents as may, in the opinion of the Mortgagee or its counsel, be necessary or reasonably desirable in order to effectuate, complete and

perfect and to continue and preserve the Other Obligations of the Mortgagor under this Mortgage and the lien of this Mortgage as a first lien upon all the Mortgaged Property, except as hereinabove stated, whether now owned or hereinafter acquired by the Mortgagor and wheresoever located. The Mortgagor hereby irrevocably appoints the Mortgagee its agent and attorney-in-fact to (i) execute, record, file, re-record and re-file any and all of the foregoing, (ii) to settle any insurance claims upon loss, at the Mortgagee's option (but without any obligation on the Mortgagee's part to do so), and (iii) to make claims in condemnation or other proceedings involving the Mortgaged Property, at the Mortgagee's option (but without any obligation on the Mortgagee's part to do so), all for and in the name of the Mortgagor. All expenses of the Mortgagee in connection therewith will be added to the Payment Obligations, shall bear interest at the annual rate of seven percent (7%) and shall be secured hereby.

11. **Limitations on Sale or Encumbrance.** Mortgagee, in making funds available to Mortgagor and URC for the acquisition of all or part of the Mortgaged Property consistent with its charitable purposes as a supporting organization for URC (such funds being repayable under certain circumstances as set forth in the Letter Agreement), has relied upon the charitable purposes and mission of URC, URC's familiarity with the Mortgaged Property, an analysis of the nature of URC's operations, and Mortgagor's status as a wholly-owned subsidiary of URC that is disregarded for federal income tax purposes. Mortgagor acknowledges that the continued ownership and possession of the Mortgaged Property by a stable, responsible public charity, such as URC (directly or indirectly through Mortgagor) or Mortgagee, and the absence of additional debt to be paid by Mortgagor secured by the Mortgaged Property, are essential to the protection and preservation of Mortgagee's security, and are necessary to ensure the performance by Mortgagor and URC of their obligations under the Letter Agreement and Mortgagee's performance of its obligations under the Grant Commitment. Except as expressly provided in this Paragraph 11, this Mortgage does not prevent or restrict Mortgagor's ability to sell, assign, transfer or lease the Mortgaged Property or interest therein; provided, however, that any proceeds from a sale, assignment, transfer or lease of the Mortgaged Property shall be subject to the lien established by this Mortgage and, subject to the terms hereof, used exclusively for charitable or other exempt purposes as described in Section 170(c)(2)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). Further, Mortgagor shall not allow the Mortgaged Property to be occupied by others except in furtherance of URC's charitable purposes. Nor shall Mortgagor execute any mortgage, chattel mortgage, security agreement, deed of trust or other document or agreement granting a lien against the Mortgaged Property, or permit or suffer any lien or other encumbrance to be asserted against the Mortgaged Property (as a result of any judgment, construction lien or otherwise), unless the document granting that lien expressly provides that it is subject to the lien of Mortgagee for the full amount of the Payment Obligations. Any purported transfer, encumbrance, conveyance or other action by Mortgagor or URC in violation of this Paragraph 11 shall be void and of no force and effect.

In addition to its other rights hereunder, upon any sale or other transfer of the Mortgaged Property which violates the terms of this Mortgage or fails to satisfy the lien established hereby, the Mortgagee may deal with such successor in interest with reference to this Mortgage and the Letter Agreement, the Payment Obligations and any note(s) or other instrument(s) evidencing the Payment Obligations in the same manner as with the Mortgagor, with no requirement of notice to or consent of the Mortgagor whatsoever, without in any manner releasing, voiding or discharging the Mortgagor's and URC's liability hereunder or for the Payment Obligations.

12. **Mortgage As Security Agreement and Fixture Filing.** This Mortgage, as to any building materials, goods and other personal property (whether tangible or intangible) owned by Mortgagor and related to the Mortgaged Property, shall be deemed to grant a security interest in such personal property pursuant to the Uniform Commercial Code. Upon the occurrence of any default under this Mortgage, Mortgagee shall have all of the rights and remedies of a secured party under the Uniform Commercial Code or otherwise provided by law or by this Mortgage. The Mortgagor agrees to execute, acknowledge and deliver, from time to time, such security agreements, property lists, financing statements or other instruments as may be requested by Mortgagee to further evidence, protect and perfect the lien of this

Mortgage on any personal property under the provisions of the Uniform Commercial Code in effect in Michigan or otherwise, and this Mortgage shall also be considered to be and may be construed as a security agreement and fixture filing with reference to all of the foregoing.

**13. Assignment of Rents.** As additional security for the repayment of the Payment Obligations and for the performance of the covenants and agreements contained herein and in the Letter Agreement, but subject in all respects to the terms thereof, the Mortgagor hereby sells, assigns, transfers and sets over unto the Mortgagee, its successors and assigns, all the rents, profits and income under any written or oral lease or leases of the Mortgaged Property (including any extensions, amendments or renewals thereof), whether due or to become due, including all such leases now in existence and also those coming into existence at any time during the period this Mortgage is in effect and all guaranties of the tenant's obligations under each such lease. This assignment of rents shall run with the land and be good and valid as against the Mortgagor herein or those claiming by, under or through the Mortgagor, from the date of the recording of this Mortgage. This assignment shall continue to be operative during the foreclosure or any other proceedings taken to enforce this Mortgage. If a sale or foreclosure shall result in a deficiency, this assignment shall stand as security during the redemption period for the payment of such deficiency, whether or not the Mortgagee is the purchaser at the foreclosure sale. This assignment is given as collateral security only and shall not be construed as obligating Mortgagee to perform any of the covenants or undertakings required to be performed by Mortgagor contained in any such assigned leases. The collection of rents by the Mortgagee shall in no way waive the right of the Mortgagee to foreclose this Mortgage. The Mortgagee shall be entitled to all of the rights and benefits of Michigan Compiled Laws 554.231-554.233, as the same may be amended from time to time, and under any other statute pertaining to assignments of rent.

The Mortgagor shall perform all of the material obligations of the lessor under all leases of the Mortgaged Property in accordance with the terms and provisions thereof. The Mortgagee shall have no obligation to account for any security deposit unless the same has been actually deposited with the Mortgagee.

In the event of default in any of the terms or covenants of this Mortgage, the Mortgagor shall, upon demand therefor made by the Mortgagee, deliver and surrender possession of the Mortgaged Property to the Mortgagee, which shall have the power, either directly or through a property manager selected by the Mortgagee, to operate, maintain, improve (for the purpose of facilitating leasing) and repair the Mortgaged Property, consistent with Mortgagee's charitable purposes and subject to the terms and conditions of the Letter Agreement and Grant Commitment. The Mortgagee or its agent may collect the rents and income therefrom, rent or lease the Mortgaged Property or, at its option, any portion thereof, upon such terms and for such time and as the Mortgagee may deem appropriate, terminate any tenancy and maintain proceedings to recover rents or possession of the Mortgaged Property from any tenant or trespasser, and apply the net proceeds of such rent and income (after payment of all costs and expenses of the Mortgagee) to the Payment Obligations or any other amounts owing under this Mortgage or the Letter Agreement (including without limitation costs and actual attorney fees) in such order as the Mortgagee may choose. If the Mortgagor fails, refuses or neglects to deliver or surrender such possession, the Mortgagee shall be entitled to the appointment of a receiver of the Mortgaged Property and of the earnings, income, issue and profits thereof, with such powers as the court making such appointment may confer.

Mortgagor agrees to execute and deliver to Mortgagee, such specific assignments of rent as Mortgagee may from time to time request with respect to any existing or future lease of the Mortgaged Property, or any part thereof, during the term of this Mortgage, each such assignment to be in form and content satisfactory to Mortgagee and the terms thereof shall be considered incorporated herein. If, as additional security for the Payment Obligations, the Mortgagor has executed to the Mortgagee one or more assignments of even date herewith of its interest as Landlord in one or more leases leasing all or part of the Mortgaged Property, or if the Mortgagor does so in the future, any default by the Mortgagor under the terms and/or conditions of any such assignment shall be a default under the terms and conditions of this



Mortgage, entitling the Mortgagee to exercise any and all the rights and remedies provided by this Mortgage, and if the Mortgagor shall fail to perform and discharge any of the obligations, covenants and agreements required to be performed by it under such assignment, then the Mortgagee may elect to perform the same and any sums which may be so paid out by the Mortgagee, including the costs, expenses and attorneys' fees paid out in any suit affecting the same, shall bear interest at the annual rate of seven percent (7%) from the dates of such payments, shall be paid by said Mortgagor to said Mortgagee upon demand and automatically shall be deemed a part of the Payment Obligations and secured hereby.

**14. Waiver of Rights by Mortgagor.** Without notice to or consent of the Mortgagor, the Mortgagee may extend or renew the Payment Obligations or any part thereof (or modify the terms thereof), release one or more persons primarily or secondarily liable for the payment of the same, release any other collateral, mortgage or security securing the same, accept additional security, subordinate the lien or charge hereof or exercise or refuse to exercise forbearance of any kind and any such action shall in no way affect the enforceability of this Mortgage or operate in any way to release, discharge, modify or change the original liability of Mortgagor hereunder. The Mortgagor hereby waives demand, presentment and notice of default in payment of the Payment Obligations or any part thereof. The Mortgagee's acceptance of the late payment of any sum hereby secured shall not constitute a waiver of the right of the Mortgagee to require prompt payment when due of all other sums so secured; to charge interest at the default rate unless and until all payments are brought current and other default(s) cured, or to accelerate maturity for default in payment of any said sum or to proceed with foreclosure or sale for any other default then existing.

**15. Default and Acceleration.** Upon the occurrence of any one or more of the following defaults which remains uncured for ten (10) days:

- (a) default by Mortgagor or URC in the payment of the Payment Obligations or any part thereof;
- (b) default in the performance of any covenant, condition, representation, warranty or agreement of the Mortgagor under this Mortgage; or
- (c) default by Mortgagor or URC in any payment or performance of any obligation or covenant under the Letter Agreement,

the Mortgagee may without any requirement of notice hereunder declare all of the Payment Obligations immediately due and payable, anything herein or in any of the instruments evidencing the Payment Obligations to the contrary notwithstanding. Any failure by the Mortgagee to exercise its option hereunder shall not constitute a waiver of the right to exercise the same at any other time. Any action taken by the Mortgagee hereunder to enforce this Mortgage shall constitute its declaration hereunder.

**16. Other Events Allowing Mortgagee to Accelerate.** If (i) the Mortgaged Property is substantially damaged or destroyed by fire or other casualty; (ii) the Mortgaged Property is the subject of any foreclosure, lien enforcement or seizure or forfeiture proceedings or procedures of any kind, civil, criminal or administrative, or if execution is made or attempted thereon; (iii) a petition in bankruptcy is filed by or against Mortgagor, URC or any holder of any interest in the Mortgaged Property; (iv) the Mortgagor, URC or any holder of any interest in the Mortgaged Property is unable to meet its obligations as they mature or shall make an assignment for the benefit of creditors or shall be the subject of any Federal or State reorganization, arrangement, insolvency, liquidation or readjustment proceedings or any other proceedings of any kind to enforce payment or liquidation of all or any substantial part of the Mortgagor's or URC's outstanding obligations; (v) a trustee or receiver of any substantial part of the property of the Mortgagor, URC or any holder of an interest in the Mortgaged Property is appointed or if petition for such appointment is made by any persons; (vii) the Mortgagor terminates, dissolves, liquidates or winds up without transferring all of the Mortgaged Property to URC, subject to this Mortgage, and obtaining URC's

agreement to assume all of Mortgagor's obligations hereunder, (viii) the Mortgagor is no longer wholly-owned by URC or loses its status as a disregarded entity of URC for federal income tax purposes; or (ix) URC terminates, dissolves, liquidates, winds up or loses its status as a tax-exempt organization described under section 501(c)(3) of the Internal Revenue Code, then the Mortgagee may, without any requirement of notice hereunder, declare all of the Payment Obligations due and payable in full, anything herein to the contrary notwithstanding. Any action taken by the Mortgagee to enforce this Mortgage shall constitute its declaration hereunder.

17. **Mortgagee's Remedies.** Whenever any default shall occur, the Mortgagee is hereby authorized and empowered to enforce this Mortgage, without any requirement of notice to Mortgagor whatsoever, by any of the following methods, chosen at the Mortgagee's sole discretion:

- (a) by commencing an action in an appropriate court to foreclose this Mortgage,
- (b) by selling or causing to be sold the Mortgaged Property pursuant to the power of sale statute in such case made and provided, or
- (c) as otherwise allowed under this Mortgage, the Letter Agreement or by law.

At any foreclosure sale by advertisement or pursuant to judicial proceedings, the Mortgaged Property shall be sold as a single parcel or in such parcels, and in such order, as the Mortgagee may direct. Such sale by the Mortgagee or pursuant to judicial foreclosure action may be conducted by the Mortgagee, its agent, appointee or a proper public official and any person, including the Mortgagee, may purchase the Mortgaged Property at such sale. In the case of a sale pursuant to the power of sale granted to Mortgagee under this Mortgage, the person conducting the sale, after deducting all costs, expenses and fees of sale, shall apply the proceeds of sale in accordance with the statute in such case made and provided. In the case of a judicial sale, the person conducting the sale, after deducting all costs, expenses and fees (including actual attorneys' fees) relating to the sale and after reimbursing the Mortgagee for all costs, expenses and fees paid or incurred by it in connection with such action, shall apply the proceeds of sale as directed by the court having jurisdiction thereof or as otherwise provided by law.

18. **Miscellaneous Provisions.**

- (a) This Mortgage, together with all other instruments evidencing the Payment Obligations or any part thereof, shall be governed by and construed in accordance with the laws of the State of Michigan and Mortgagor agrees that the sole and exclusive forum for the determination of any action relating to the validity and enforceability thereof shall be either an appropriate court of the State of Michigan or that court of the United States which includes within its territorial jurisdiction the State of Michigan. Unenforceability for any reason of any provision of this Mortgage shall not limit or impair the operation and validity of any other provision or provisions hereof. If a court of competent jurisdiction should declare that Mortgagor's obligation to pay interest hereunder is at a rate which could subject the Mortgagee to either civil or criminal liability as a result of being in excess of the maximum interest rate which the Mortgagor is permitted by law to contract or agree to pay, giving due consideration to the contract or agreement to pay and giving due consideration to the execution date of this Mortgage, then, in that event, the rate of interest applicable thereto shall be deemed to be immediately reduced to such maximum rate and the interest payable shall be computed at such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not of interest.
- (b) This Mortgage may not be amended or otherwise modified, or any obligation or undertaking of Mortgagor hereunder waived, except by a written agreement entered into between

Mortgagor and Mortgagee; provided that no such amendment, modification or waiver shall be effective unless also approved in writing by the Mott Foundation, which shall be deemed a third party beneficiary of this clause (b).

19. **Costs and Expenses.** Mortgagor hereby agrees to pay to the Mortgagee and the Mortgagee shall be entitled to collect all costs and expenses incurred by or on behalf of Mortgagee in connection with the pursuing of any of the Mortgagee's remedies provided for in this Mortgage and/or in the Letter Agreement upon a default. Such costs and expenses in connection with the foregoing shall include, but shall not be limited to, actual attorney fees and legal expenses in connection with any of the foregoing. Such amounts shall be due and payable by Mortgagor forthwith upon demand, shall bear interest from the dates upon which they were incurred at the annual rate of seven percent (7%) and automatically shall constitute part of the Payment Obligations hereunder and secured by this Mortgage.

20. **Environmental Provisions.** Mortgagor covenants and represents to Mortgagee that (i) no dangerous, toxic or hazardous pollutants, contaminants, chemicals, wastes, materials or substances, as defined in or governed by the provisions of any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating thereto (collectively, the "Environmental Regulations"), nor any urea-formaldehyde, polychlorinated biphenyls, asbestos, asbestos-containing materials, nuclear fuel or waste, and petroleum productions, or any other waste, material, substance, pollutant or contaminant which would subject the owner of the Mortgaged Property to any damages, penalties or liabilities under any applicable Environmental Regulation (collectively, the "Hazardous Substances") are now or have ever been located, produced, treated, transported, incorporated, discharged, emitted, released, deposited or disposed of in, upon, under, over or from the Mortgaged Property; (ii) no threat exists of a discharge, release or emission of a Hazardous Substance upon or from the Mortgaged Property into the environment; (iii) the Mortgaged Property has not ever been used as or for a mine, a landfill, a dump or other disposal facilitator, a fuel storage site or gasoline service station or a dry cleaning facility; (iv) no underground storage tank is now located on the Mortgaged Property or has previously been located therein but has been removed therefrom; (v) no violation of any Environmental Regulation now exists or has ever existed in, upon, under, over or from the Mortgaged Property, no notice of any such violation or any alleged violation thereof has been issued or given by any governmental entity or agency, and there is not now nor has there ever been any investigation or report involving the Mortgaged Property by any governmental entity or agency which in any way relates to Hazardous Substances; (vi) no person, party or private or governmental agency or entity has given any notice of or asserted any claim, cause of action, penalty, cost or demand for payment or compensation, whether or not involving any injury or threatened injury to human health, the environment or natural resources, resulting or allegedly resulting from any activity or event described in (i) above; (vii) there are not now, nor have there ever been, any actions, suits, Proceedings or damage settlements relating in any way to Hazardous Substances, in, upon, under, over or from the Mortgaged Property; (viii) the Mortgaged Property is not listed in the United States Environmental Protection Agency's List of Hazardous Waste Sites or any other list of Hazardous Substance sites maintained by any federal, state or local governmental agency; and (ix) the Mortgaged Property is subject to no lien or claim for lien in favor of any governmental entity or agency as a result of any release or threatened release of any Hazardous Substance. Mortgagor covenants and agrees that it shall not locate, produce, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Mortgaged Property, shall not permit any Hazardous Substance to be located, produced, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom, and shall comply with all Environmental Regulations which are applicable to the Mortgaged Property. At any time, and from time to time, if Mortgagee so requests, Mortgagor shall have any environmental review audit, assessment and/or report relating to the Mortgaged Property heretofore provided to Mortgagee updated, at Mortgagor's sole cost and expense, by an engineer or scientist acceptable to Mortgagee, or shall have such a review, audit, assessment and/or report prepared for Mortgagee, if none has previously been so provided. Mortgagor shall indemnify and does hereby indemnify Mortgagee against, shall hold Mortgagee harmless from, and shall reimburse Mortgagee for, any and all claims, demands, judgments, penalties,



finances, liabilities, costs, damages and expenses, including court costs and actual attorneys' fees incurred by Mortgagee (prior to trial, at trial and on appeal) in any action against or involving Mortgagee, resulting from any breach of the foregoing covenants, from the incorrectness or untruthfulness of any covenant or representation set forth in this paragraph or from the discovery of any Hazardous Substance in, upon, or over, or emanating from the Mortgaged Property, it being the intent of Mortgagor and Mortgagee that Mortgagee shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Substances by virtue of the interest of Mortgagee in the Mortgaged Property created hereby or as the result of Mortgagee exercising any of its rights or remedies with respect thereto hereunder, including but not limited to becoming the owner thereof by foreclosure or conveyance in lieu of foreclosure. The foregoing representations and covenants of this paragraph shall be deemed continuing covenants and representations for the benefit of Mortgagee, including but not limited to any purchaser at a foreclosure sale, and any subsequent owner of the Mortgaged Property, and shall survive the satisfaction or release of this Mortgage, any foreclosure of this Mortgage and/or any acquisition of title to the Mortgaged Property or any part thereof by Mortgagee, or anyone claiming by, through or under Mortgagee, by deed in lieu of foreclosure or otherwise. All amounts from time to time covered by the foregoing indemnification shall be added to the Payment Obligations, shall bear interest from the date incurred at the annual rate of seven percent (7%), shall be payable on demand, and shall be secured hereby.

21. **Waiver of Trial by Jury.** MORTGAGOR AND MORTGAGEE EACH HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY in any action or proceeding relating to the Payment Obligations, this Mortgage and the Letter Agreement. Mortgagor acknowledges that it has brought this provision to the attention of Mortgagor's legal counsel or that it has had the opportunity to do so. This waiver is made by the Mortgagor and by the Mortgagee voluntarily and intentionally with full knowledge of the rights that each is waiving under this paragraph.

22. **Remedies Cumulative.** All of the rights and remedies granted to the Mortgagee hereunder shall be cumulative and not exclusive of any other remedy provided by law and may be exercised either successively or concurrently.

23. **Notices.** Any writing mailed in an envelope with postage prepaid and addressed to the owner of record of the Mortgaged Property according to the last address actually furnished to the Mortgagee shall be conclusively deemed to have been given on the date of mailing and to have been received by the Mortgagor in due course of the mail, but under no circumstances shall this paragraph be construed as in any way obligating the Mortgagee to give any notice whatsoever to the Mortgagor hereunder.

24. **Definitions; Interpretation.** The term "Mortgagee" wherever it appears shall include the person or entity identified as such on the first page of this Mortgage, its successors and assigns, and also any lawful owner, holder or pledgee of the Payment Obligations.

25. **Release of Mortgage.** Upon the earlier of (i) payment of the entire Payment Obligation and all other sums secured by this Mortgage and satisfaction of all of Mortgagor's and URC's obligations to Mortgagee under the Letter Agreement or (ii) a sale, assignment or transfer of the Mortgaged Property not in violation of this Mortgage, the Letter Agreement or the Grant Commitment (in each case, with respect to clauses (i) and (ii) hereof, confirmed in writing by the Mott Foundation) to a person unaffiliated with Mortgagor, the Mortgagee shall discharge this Mortgage without charge to Mortgagor.

*(signature page follows)*

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage the day and year first above written.

"Mortgagor"

URC FJ, LLC, a Michigan limited liability company

By: UPTOWN REINVESTMENT CORPORATION,  
INC., a Michigan nonprofit corporation  
Its: Sole Member

By:

Timothy Herman  
TIMOTHY HERMAN

Its:

PRESIDENT

STATE OF MICHIGAN )

COUNTY OF GENESEE )

) ss

The foregoing instrument was acknowledged before me this 22 day of May, 2012, by TIMOTHY HERMAN, the PRESIDENT of UPTOWN REINVESTMENT CORPORATION, INC., a Michigan nonprofit corporation, on behalf of the corporation, as the sole member of URC FJ, LLC, a Michigan limited liability company.

Sara D. Stimson, Notary Public  
Genesee County, Michigan  
My Comm. expires: 05-30-2018

This Instrument Prepared By:  
Michael A. Stack, Esq.  
Bodman PLC  
229 Court Street, P.O. Box 405  
Cheboygan, Michigan 49721

47.00

**EXHIBIT A****Real Property Description**

Property situated in the City of Flint, County of Genesee, State of Michigan and more particularly described as follows:

**Survey Parcel A.** Lots 1, 2, 3, and 4, ALSO Northerly 58.87 feet of Lot 5, Block 7, ALSO that part of the Westerly 1/2 of vacated Wallenberg Street adjoining said Lots 2 and 4, Block 7, VILLAGE OF FLINT RIVER, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records.

ALSO

**Survey Parcel B.** Lots 1 through 10, Block 12 of the VILLAGE OF FLINT RIVER, also that part of the East 1/2 of vacated Wallenberg Street adjacent to Lots 1, 3, 5, 7, and 9, Block 12, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records. ALSO Being Described as: Beginning at the Northeast corner of Lot 2, Block 12; thence South 32 degrees 6 minutes 19 seconds East along the Westerly line of Stevens Street 331.11 feet (recorded as 330.0 feet) to the Northerly line of Second Street; thence North 58 degrees 0 minutes 18 seconds East (South 58 degrees 0 minutes 18 seconds West, measured) along said Northerly line 331.81 feet (recorded as 330.0 feet) to the Easterly line of Wallenberg Street; thence North 31 degrees 45 minutes 47 seconds West along said Easterly line 331.08 feet (recorded as 330.00 feet) to the Southerly line of First Street; thence North 58 degrees 0 minutes 0 seconds East along said Southerly line 329.83 feet (recorded as 330.0 feet) to the point of beginning, including that part of the East 1/2 of vacated Wallenberg Street adjacent to Lots 1, 3, 5, 7, and 9, Block 12, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records.

ALSO

**Survey Parcel C.** Lot 6 and that part of Lot 8, Block 7, VILLAGE OF FLINT RIVER, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records, lying Northerly of the following described line: Beginning at a point in the Easterly line of said Lot, 1.25 feet Southerly from the Northeasterly corner of said lot; thence Westerly to a point in Westerly line of said lot, 1.66 feet Southerly from Northwesterly corner of said lot, Block 7. ALSO that part of Westerly 1/2 of vacated Wallenberg Street adjoining said Lot 6 and part of Lot 8, Block 7.

ALSO

**Survey Parcel D.** The Northerly 59 feet of the Easterly 66 feet of Lot 8, Block 7, VILLAGE OF FLINT RIVER, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records, EXCEPT that part lying Northerly of the following described line: Beginning at a point in the Easterly line of said Lot 1.25 feet Southerly from Northeasterly corner of said lot; thence Westerly to a point in Westerly line of said lot, 1.66 feet Southerly from Northwesterly corner of said lot, Block 7. ALSO that part of the Westerly 1/2 of vacated Wallenberg Street adjoining said part of Lot 8, Block 7.

ALSO

**Survey Parcel E.** Part of Lots 8 and 10, Block 7, VILLAGE OF FLINT RIVER, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records, described as: The Westerly 6 rods of Lots 8 and 10, EXCEPT that part lying Northerly of the following described line: Beginning

at a point on the Easterly line of said Lot 8, 1.25 feet Southerly from the Northeasterly corner of said lot; thence Westerly to a point in the Westerly line of said lot, 1.66 feet from Northwesterly corner of said Lot.

ALSO

**Survey Parcel F.** The South 7 feet of the East 4 rods of Lot 8 and the East 4 rods of Lot 10, Block 7, ALSO that part of Westerly 1/2 of vacated Wallenberg Street adjoining said part of Lot 8 and Lot 10, Block 7, VILLAGE OF FLINT RIVER, as contained in Deed Liber 1, Page 14, and transcribed in Plat Liber 6, Page 2, also recorded in Plat Liber 18, Page 4, Genesee County Records.

Commonly known as 200 and 300 East First Street , MI 48502, and bearing Tax Parcel Nos. 41-18-126-018, 41-18-127-019, 21-03-442-001 (Industrial Facility Tax), 41-18-126-008, 41-18-126-017, 41-18-126-015 and 41-18-126-011.